



Designation of Wireless ETCs Advances the Public Interest

- The Commission has specifically recognized the critical importance of developing policies to encourage the provision of wireless services in rural areas. (See WT Docket No. 02-381)
- Mobility in rural areas is not only important for everyday use but is critical for public safety, emergency and homeland security needs.
- USF policies should promote the expansion of rural wireless services so that rural customers have access to the same landline and wireless services as do urban consumers. (47 USC §254(b)(3)).
- In considering an ETC application, the public interest standard should be evaluated from the perspective of the rural consumer. (*See Alenco Communications v. FCC*, 301 F.3d 608 (5th Cir. 2000)).
- Viewed from the perspective of the consumer deployment of wireless service in rural areas is presumed to be in the public interest whether it is a substitute for or a complement to landline services.
- As long as the benefit to the rural consumer outweighs harm to the rural consumer an ETC application should be granted.
- Showings of harm to the rural consumer should be supported by competent evidence and not be merely speculative.



Markets

As of December 31, 2002, we have launched digital wireless service in all of the following markets, except for Burlington, Vermont and Augusta, Georgia, which we plan to launch in the first half of 2003:

Region	Markets ⁽¹⁾	Licensed Pops
Northeast	Wilkes-Barre/Scranton/Harrisburg/York/Lancaster, PA	2,874,039
	Syracuse/Utica-Rome/Binghamton/Elmira, NY	2,058,780
	Buffalo/Jamestown, NY	1,497,610
	Western Pennsylvania (Altoona/Johnstown/State College/Williamsport)	1,462,511
	Rochester, NY	1,211,105
	Albany/Glen Falls, NY	1,171,669
	Erie, PA	371,209
	Total	10,646,923
Midwest	Nebraska (Omaha/Lincoln) and Sioux City/Sioux Falls IA/SD	2,507,196
	Eastern Iowa (Waterloo/Dubuque/Davenport/Cedar Rapids/Iowa City)	1,960,174
	Illinois (Peoria/Springfield/Champaign/Bloomington/Decatur)	1,787,188
	Green Bay, WI	1,691,401
	E. Minnesota/W. Wisconsin (Duluth/Rochester/Eau Claire/La Crosse)	1,462,625
	Central Iowa (Des Moines)	1,127,107
	North Dakota/Western Minnesota (Fargo/Grand Forks)	1,106,972
	Idaho (Idaho Falls/Pocatello/Boise/Twin Falls)	1,004,169
	Total	12,646,832
South	Arkansas (Fayetteville/Fort Smith/Pine Bluff/Little Rock)	2,379,938
	East Texas/Northern Louisiana (Tyler/Longview/Shreveport/Monroe)	2,077,653
	Indiana (Terre Haute/Evansville/Owensboro)	1,968,092
	South Texas (McAllen/Harlingen/Brownsville/Corpus Christi/Victoria)	1,955,278
	West Virginia (Charleston)	1,949,462
	Virginia (Roanoke/Lynchburg/Charlottesville)	1,896,510
	Louisville, KY	1,836,289
	West Texas (Amarillo/Abilene/Lubbock/Odessa-Midland/San Angelo)	1,783,950
	Southern Louisiana (Lafayette/Lake Charles)	1,580,602
	Lexington, KY	1,480,559
	Mississippi (Hattiesburg/Jackson)	1,430,863
	Georgia (Macon-Warner Robins/Albany)	1,290,316
	Pensacola, FL	1,145,346
	Mobile, AL	1,065,524
	Central Texas (Temple-Killeen/Waco/Bryan-College Station)	894,252
	Tallahassee, FL	718,520
	Montgomery, AL	711,575
	Tennessee (Bristol/Johnson City/Kingsport, VA/TN)	590,874
	Columbus, GA	430,951
	Total	27,186,554
Noncontinental US	Hawaii (all islands)	1,211,537
	Total—prior to 2003 market launches	51,691,846
	Burlington, VT (launch planned for 1 st half of 2003)	697,496
	Augusta, GA (launch planned for 1 st half of 2003)	596,224
	Total—after 2003 market launches	52,985,566

(1) We may, from time to time, reconfigure our markets to take advantage of build-out and management synergies and marketing opportunities. While the actual territories and population estimates will not change, the way we group our markets may increase or decrease the total number of markets.



An Overview of Nextel Partners

- Nextel Partners was formed specifically to accelerate the build out of the Nextel system in the mid-sized and tertiary markets, including rural and historically underserved areas.
- Primary focus is on mid-sized and tertiary markets.
- Provider of advanced digital wireless communications services over industry leading nationwide network.
- Service territory includes 53 million POPs in 31 States.
- 1,054,000 subscriber lines as of June 30, 2003.
- More than 3,300 cell sites and 37,000,000 covered POPs.
- 2,659 employees in 26 States.



Benefits of the Relationship With Nextel

- Through Nextel Partners' efforts, the Nextel digital network has been built out in mid-sized and tertiary areas.
- Nextel Partners' customers have access to the same Nextel nationwide network, services and equipment that are available to citizens in the primary markets.
- Nextel Partners' customers receive seamless nationwide roaming at no additional charge to the customer.
- Nextel Partners has established strong ties with the public safety community to help meet the nation's emergency, public safety and national security needs.



Nextel Partners' Accomplishments

USF Contributions January 1999 to Present: \$11,079,000

Current USF Contribution Amount: \$1,000,000 per month

Subscriber Growth - 54%

- End of 1999: 46,100
- End of 2000: 227,400
- End of 2001: 515,900
- End of 2002: 877,800
- As of 6/30/03: 1,054,000

Covered POPs

- 1999: 6,000,000
- 2000: 23,000,000
- 2001: 33,000,000
- 2002: 37,000,000
- 2003: 38,000,000 (est.)



Nextel Partners' Accomplishments

Cumulative Cell Sites

- 1999: 530
- 2000: 1,537
- 2001: 2,788
- 2002: 3,317
- 2003: 3,617 (est.)

Service Revenues

- 1999: \$28,100,000
- 2000: \$130,100,000
- 2001: \$363,600,000
- 2002: \$646,200,000



Importance of Granting ETC Status to Nextel Partners

PUBLIC INTEREST WILL BE SERVED:

- Nextel Partners is ideally suited to being an ETC because its primary business focus is serving mid-sized and tertiary markets, including underserved areas.
- Will enhance Nextel Partners' ability to provide more comprehensive service coverage to underserved areas.
- Will bring rural customers state-of-the-art digital mobile service at a reasonable price, increasing customer choice.
- Rural citizens should have same choices and access to advanced mobile services that urban citizens enjoy.
- Nextel Partners will provide all of the supported services throughout its designated areas.



Nextel Partners' ETC Petitions

- Nextel Partners has applied for ETC status in 20 states, including 7 petitions for designation filed before the FCC.
- The States of Iowa, Mississippi and Wisconsin have granted ETC designation to Nextel Partners.